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In the office of the Secretary of State
of the State of California

CERTIFICATE OF AMENDMENT OF
THE ARTICLES OF INCORPORATION OF
BEATNIK, INC.

JUL 20 2001

Bill Jones
BILL JONES, Secretary of State

The undersigned, Lorraine Hariton and Susan Marsch, hereby certify that:

1. They are the duly elected and acting President and Secretary, respectively, of Beatnik, Inc. (the "Corporation").

2. The Articles of Incorporation of the Corporation are hereby amended by deleting out Section (A) of Article III of the Articles of Incorporation of the Corporation and by substituting in lieu of said Section the following new Section:

"A. Classes of Stock. This Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is one hundred two million (102,000,000) shares, of which seventy million (70,000,000) shares shall be Common Stock, with a par value of \$.001 per share, and forty-two million (42,000,000) shares shall be Preferred Stock, with a par value of \$.001 per share, of which three million, seven hundred and nine thousand nine hundred seventy-one (3,709,971) shares shall be designated Series A Preferred Stock, one million three hundred nine thousand five hundred twenty-four (1,309,524) shares shall be designated Series B Preferred Stock, ten million five hundred thousand (10,500,000) shares shall be designated Series C Preferred Stock, two million five hundred thousand (2,500,000) shares shall be designated Series D-1 Preferred Stock, two million two hundred twenty-five thousand (2,225,000) shares shall be designated Series D-2 Preferred Stock and eleven million (11,000,000) shares shall be designated Series E Preferred Stock."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors of the Corporation.


4. The foregoing amendment was approved by the holders of the requisite number of shares of the Corporation in accordance with sections 902 and 903 of the California General Corporation Law. The total number of outstanding shares entitled to vote with respect to the foregoing amendment was 17,937,406 shares of Common Stock, 3,709,971 shares of Series A Preferred Stock, 1,309,523 shares of Series B Preferred Stock, 9,439,991 shares of Series C Preferred Stock, 1,968,026 shares of Series D-1 Preferred Stock, 1,734,695 shares of Series D-2 Preferred Stock and 6,750,951 shares of Series E Preferred Stock. The number of shares voting in favor of the foregoing amendment equaled or exceeded the vote required, such required vote being (a) a majority of the outstanding shares of Series E Preferred Stock, (b) a majority of the outstanding shares of Common Stock, Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D-1 Preferred Stock, Series D-2 Preferred Stock and Series E Preferred Stock, voting together as a single class, and (c) a majority of each of the (i) outstanding shares of Common Stock, and (ii) outstanding shares of Preferred Stock, each voting as a separate class.

We further declare under penalty of perjury under the laws of the State of California that we have read the foregoing amendment of Articles of Incorporation and know the contents thereof and that the same are true of our own knowledge.

Executed on July 18, 2001
in Palo Alto, California



Lorraine Hariton
President



Susan Marsch
Secretary